

Support the Prompt and Fair Pay Act

The Prompt and Fair Pay Act (HR. 4559) would require MA plans to reimburse providers at rates no less than what they would receive under traditional fee-for-service Medicare. The legislation would also impose defined “prompt payment” timelines for claims submitted with all required information (known as clean claims) to ensure timely reimbursement. Insurers that miss these payment deadlines (14 days for electronically submitted clean claims and 30 days for other clean claims) could owe interest on late payments. The bill defines clean claims and requires plans to notify providers within 10-15 days if a claim is deficient, as well as gives HHS authority to enforce these requirements and include anti-retaliation protections for providers and suppliers.

Ensuring fair and timely reimbursement strengthens provider sustainability and patient access to care. Many providers experience significant underpayment and payment delays and denials from MA plans, leading to administrative waste and financial strain. By establishing parity between Medicare Advantage rates and fee-for-service, the bill helps address chronic underpayments from MA plans. The Prompt and Fair Pay Act (H.R. 4459) sets clear timelines for MA plans for paying in-network providers for clean claims and allows interest on late payments, aligning them with protections already in place for out-of-network providers.

This bipartisan bill H.R. 4559 was introduced in the U.S. House of Representatives by Representatives Lloyd Doggett (D-TX-37) and Greg Murphy (R-NC-03)

AHCA Recommendations

AHCA supports this bill and has authored multiple legislative briefs and resources on topics addressed, including prompt payment and protections against retroactive audits. Specific recommendations to further strengthen this bill’s impact include:

- Strengthen the clean claim definition to prevent plans from using contractual language that overrides or supersedes this definition.
- Pair prompt pay legislation with safeguards on post-payment audits, including reasonable limits on audit scope and timing for clean claims, to protect providers from arbitrary recoupments and ensure fairness and transparency.

AHCA Advocacy Efforts

AHCA continues to call on policymakers to reaffirm the promise of Medicare Advantage through The Better Way, the Association’s forward-looking policy agenda that offers Congress and the administration meaningful policies to improve America’s nursing homes and prepare for the nation’s aging population.



AHCA/NCAL Legislative Staff Contact:
GR@ahca.org
www.ahcancal.org



IMPROVING LIVES by DELIVERING SOLUTIONS for QUALITY CARE